informatic<del>y (Ref</del>port

Approved For Renews 20021/06/06/EG/04/RDP82-00457/R002000

COUNTRY Albania

DATE DISTR. 8 November 1948

Economic and Political Situation FIDENTIAL SUBJECT in Albania

NO. OF PAGES 8

PLACE ACQUIRED DATE OF

25X1A

CIA LIBRARY

NO. OF ENCLS. (LISTED BELOW)

SUPPLEMENT TO REPORT NO.

25X1X



Although the following report does not appear to contribute anything of significance on the current political and economic situation in Albania, it is being distributed chiefly because of the present day interest in Albania.

25X1X

25X1X

## General.

- All available information indicates that full communization of Albania must be regarded as a fait accompli. Albania today is a police state, and its chief characteristics are mutual betrayal and surveillance among its citizens.
- 2. The Communists who came into power in 1944 took care in the beginning to consolidate their regime, using terrorist methods where necessary. Afterwards they strove by various political devices to win over the masses of people.
- 3. In 1945, 1946, and until the middle of 1947 the Communists' impressive measures, such as the nationalization of private estates and church landed properties, the construction of many drainage works which reclaimed many thousands of stremmata of cultivable land, the introduction of various measures for the improvement of public health and other measures taken to repair much of the damage arising from the war created in the masses of the people on atmosphere of sympathy for the Communists.
- Skilled Communist propaganda took advantage of this sympathy and, advancing along old chauvinistic lines and directions, this propaganda began to call the Albanian people the real people of the Balkans. Communists, in justifying their faith in the Soviet Union and its satellites, said that through their help Albania would achieve her proper place in the society of the Balkan peoples, and that these people would help Albania to realize her national ideals.
- 5. In this way Albanian chauvinism was nourished anew, and the Communists took care to inflame it, with the ultimate purpose of exploiting it for

# Confidential

SECRET/COMPROL CLASSIFICATION STATE NAVY DISTRIBUTION ARMY This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1973 from the Director of Central Intelligence to the Archivist of the United States. proved For Release 2001/03/05 : CIA-RDP82

# Approved For Release 2004/03/05 : CIAIRDF 8 2 00457R002000390004-7

CENTRAL INTERCONT

25X1A

\_2\_

# GOMFEDENTIAL

their own purposes. Their intention was to establish firmly the faith of the masses of the people in the existing Communist regime.

- 6. At the same time the various agricultural and labor measures, which were first introduced, satisfied the working class and brought such people closer to the regime. The Government, exploiting the naturally avaricious, selfish, and vengeful nature of the Albanian, succeeded by striking hard at the bourgeoisie and the large landowners in satisfying the peasants and the working class.
- 7. The lack of communication of the Albanians with the European world outside the Iron Curtain was an impediment to the awakening of the Albanian people. Blinded by Communist propaganda and by the specious measures of the Albanian Government on behalf of the people, the Albanians are still following the way of Communism.
- 8. It is a fact that never since the founding of the Albanian State after the First World War was the peasant or the laborer so well off as in 1945, 1946, and the first half of 1947.
- The regime took care that the bourgeoisie and the intellectual class, who could comprehend the situation, should disappear if they opposed its measures.
- 10. Although things were going quite well up to the beginning of 1947, with the mass of Albanians satisfied with the existing situation, since then things have changed. The oppressive measures taken in the summer of 1947 to compel the farmers to turn their products over to the Government and the so-called voluntary labor without wages in the labor battalions are causing discontent and complaints against the Government. Because of the terrorism practiced by the authorities, however, no one dares to make a real protest.
- ll. Despite these signs of discontent, however, the Communist regime appears to be firmly established, and its leaders are proceeding swiftly to the full communization of the country along the lines of orthodox Communism.

#### II. Economic Situation

- 12. The limited facilities for production and the present complete lack of private enterprise have brought unemployment to Albania. The trade unions and the cooperatives which were formed are not in a position to absorb all the craftsmen and artisans. As a result the majority of them are unemployed and are barely existing on the scanty food supplied by the State through ration cards. Positions in the trade unions and the cooperatives are granted by preference to Communists, particularly to those who were involved in the resistance movement during the German occupation. The situation of the non-Communist craftsmen is tragic.
- 13. All reports indicate that the wheat harvest in Albania this year was very good. The peasant, however, is denied an opportunity to enjoy the fruit of his labor. This year again there is a compulsory collection of grain on the basis of estimates made in the fields before harvest. The producers are allowed to retain only six kilograms per month for each member of the family (about one-third the normal consumption per person); the rest of the harvest is purchased by the State at five lek per kilogram.
- 14. The estimate of production of the maize crop in the Gjinokaster region, and probably in other regions, has already been made. This estimate determines the amount which the peasant must produce for the Government at the price fixed by the latter. The estimate is made by a commission consisting of one employee of the Government of the province, a representative of the agricultural cooperatives of the district, and the People's Commissar of the community where the estimate is being made.

CENTRAL INSECTION E AGENCY

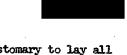
25X1A

\_3.

# Confidential

- 15. Recent reports state that the drainage works in the Libohove-Nepravishte region have been completed and have reclaimed about 15,000 stremmata (a little less than 4,000 acres) for cultivation. For the present year this land will be used by the agricultural cooperatives for growing rice. The method of cultivation will be in the nature of a demonstration under the supervision of two Russian agricultural experts and some Albanian specialists. The following year the land is supposed to be divided among the peasants of that region.
- 16. In general the government's measures affecting agriculture are taken with a view to increasing production. In May 1948 quantities of fertilizer were brought from Yugoslavia and were put at the disposal of the peasants. In Libohove there is now in operation a model truck farm, and in June 1948 the presidents of the communes of that district were invited to come and observe the advanced methods used on this farm.
- 17. In spite of the emphasis given by the State to agriculture, the farmers derive no personal profit from it, chiefly because the amounts of their harvest left to them after the compulsory sale to the State are hardly enough to feed them. Therefore almost all the peasants, notwithstanding their previous satisfaction with the various measures taken for the protection of farmers through agricultural reforms, now feel themselves to be at the little end of the horn. The general compulsory collection of farm products by the government has brought the peasant to extreme poverty. According to reports from refugees who have recently arrived in Greece, Albania has never before known such poverty and misery as prevail in 1948.
- 18. The partial nationalization of livestock in Albania has been enforced. No herdsman can keep more than 100 sheep. According to recent reports, in Southern Albania (Northern Epiros) the State has taken possession of 60,000 sheep and goats. It is said that 30,000 of these were sent to Yugoslavia in exchange for the machinery furnished to Albania by Yugoslavia for the construction of roads and railroads. Immediately after the clash between Tito and the Communistreads and the consequent clash between the Communist Party of Yugoslavia and the Communist Party of Albania) the Yugoslav engineers left Albania and took with them their machinery. At the same time the sheep and goats which had been given by the Albanians to Yugoslavia in exchange for the machinery have not been returned to Albania.
- 19. Government herds have been formed from the sheep and goats acquired by the program of nationalization. The milk, meat and wool produced are exploited by special cooperatives organized for that purpose. Government herds are known to be in Polican and Lambovo in the mountainous region around Gjinckaster.
- 20. The tax to be paid on the private herds remaining in the possession of Albanian herdsmen has recently been set. For the hundred head of sheep or goats each peasant must pay in kind 100 okes (ca. 280 lbs.) of meat and 20 okes (ca. 56 lbs.) of wool per annum.
- 21. The collection of all products by cooperatives and the distribution of them to the populace through ration cards has brought about (sic) a permanent food crisis. The complete lack of private initiative in business and work of all kinds has produced an unprecedented lack of money, so that many of the inhabitants cannot buy from the cooperatives even the little food distributed through ration cards.
- 22. It is impossible to foresee what will be the outcome of this difficult financial and food situation. Recently the Government became so uneasy about the situation that it requested the intervention of Russia. As a result three shiploads of tinned and salted foods were sent from Russia, and these were distributed to the people.

CONFIDENTIAL



23. As a result of the clash with Tito it has become customary to lay all the blame for the situation on the Yugoslavs, whose bloodsucking tactics are said to have caused the present food situation in Albania. The distribution of the food sent from Russia stimulated propaganda in praise of the Russians, and at the same time promises were freely given that the economy of Albania would soon be flourishing, thanks to support from Russia.

#### III. Petroleum and Mines

- 24. Petroleum from the wells of Kosove is the principal non-agricultural product of Albania. Production appears to be satisfactory. Recently, according to report, a fourth refinery has begun to operate. Three new oil wells have been dug. Russian experts have studied the problem of completing the oil pipelines from Kosove to Vlone which had been begun by the Italians.
- 25. Work on opening the lignite mine of Tepelene is continuing. It is said that production of coal will begin within a year.
- 26. Work at the chrome mines in Rrubig continues intensively.

#### IV. Commerce

- 27. All commercial activity in Albania is under the control of the State. All business is conducted through cooperatives, as is all commerce with the Slavic countries of the Eastern Bloc.
- 28. All commerce with Yugoslavia was conducted through cooperatives, but after the clash with Tito all the commercial agreements were cancelled and all exchange of goods ceased. A month ago a commercial agreement was signed between Bulgaria and Albania.
- 29. The cutting of commercial relations between Albania and Yugoslavia is the cause of much uneasiness among the Albanians, who feel themselves even more shut off from the rest of the world. Recent letters received from Greeks in Albania, which were forwarded via the United States, indicate a growing desire among some Albanians to establish friendly relations with Greece, now that Albania is shut off from Yugoslavia; but the realization of such a desire seems impossible under the present conditions, and in fact the extent and the details of such a tendency are not yet clear.

# V. Labor Policy

- 30. From all the measures taken on behalf of workers it appears that the working class holds the first place among all classes in present day Albania. This is consistent with the orthodox lines followed by the Communist Party of Albania in the application of the Communist system.
- 31. The lack of an organized industry, however, makes it difficult for the Communist authorities to achieve an improvement in the position of the workers. This is the reason for the observed lack of an organized labor policy.
- 32. The workers in the labor unions and the members of various cooperatives belonging to labor unions compose what organized workers class there is, and they receive various privileges from the State.
- 33. The various labor brigades organized in the several districts to do "voluntary" labor without wages on public works projects have given fairly satisfactory results.
- 34. The minimum daily wage has been established at 50 lek, and this apparently satisfies the worker. It has, however, only a theoretical value, inasmuch as there is no freedom to work outside the labor unions and the cooperatives.

**SECRET** 

CENTRAL INTELLIBERT GENCE

25X1

-5-

## VI. Education

- 35. A substantial boost has been given to education by the present Albanian government. There are public schools in almost all the villages, and in addition various courses have been organized to ameliorate the problem of adult illiterates. Schools for illiterates are operating in the Army and in the labor brigades. There are similar schools in various State enterprises where there are large numbers of workers, e.g. at the oil wells of Kosove.
- 36. Hadjis, Minister of Education, had a long period of training in the Soviet universities. He and the new Minister, Mrs. Nadjire Douma, have tried to introduce and follow the Soviet system of education. Their object is the full communization of Albanian youth. For the accomplishment of this the Albanian Government has made a serious effort to form an adequate corps of public school teachers. Recently about 200 young men and women graduated from the teacher training school at Gjinokaster.
- 37. The schools of the Greek minority have begun to function again. For the most part the teachers assigned to them are Greek Communists from Northern Epiros.

#### VII. Public Health

- 38. The drainage projects in Lake Malik in the Libohove and Vurg regions have drained many thousands of stremmata of swamps, and as a result the danger of malaria has been significantly reduced. When UNRRA was still functioning there were large quantities of DDT available for the fight against the malaria mosquito. At present petroleum is being used to supplement DDT.
- 39. It appears that the harsh measures used by the authorities to compel the people to clean up generally have resulted in a significant improvement in the health of the inhabitants.
- 40. In Gjinokaster work has begun on the concentration of a 500-bed hospital.

#### VIII. Communications

- ll. Yugoslav technicians and engineers until recently have done the planning for surfacing the principal roads with asphalt. Since the time when these men left Albania (following the Tito-Cominform clash), no information has been received on the present state of such planning. It is known, however, that there are asphalt-surfaced roads in good condition from Shkoder to Tirana, Durres to Tirana, Durres to Fier, and Vlone-Tirana to Elbasan. Parts of the road from Verati to Gjinokaster and from Biglista to Korce are in good condition. Other roads are surfaced with gravel, and a real effort is being made to maintain them in good condition.
- 42. Since May 1948 modern busses have been put into service on the Tirana-Elbasar-Verati line, the Tirana-Durres-Shkoder line, and the Gjinokaster-Permet-Korce line. The schedules call for only three runs a week.
- 43. There is a great shortage of tires, and for that reason most of the automobiles belonging to the government are immobilized. This includes 80 automobiles known to be immobilized in Gjinokaster and 40 in Delvine.
- the railroad line from Durres to Peqin has been completed, and the schedule calls for two runs daily. Work on the extension of the line to Elbasan and Tirana stopped after the clash between Tito and the Communist Party of Albania. The Yugoslav technicians left and took with them much of their machinery, such as power shovels, et cetera. Work has begun again on this extension, and the labor brigade from Vlone has been sent there to work. Machinery and other materiel are expected from Russia. This is probably the reason for the recent visit of Russian Under-Minister Sabanov to Peqin, where he inspected the work under way.

# 

CENTRAL INTERS REKE AGENCY

25X1A

-6-

# IX. Navy

45. According to available information the Albanian government has paid little attention to the development of a navy. Except for a few sailing vessels and coast guard boats which patrol between the southern tip of Albania and Himare there seems to be no Albanian navy.

#### X. Air Communications

- 46. There are no interior air lines in Albania. Twice a week, however, a Russian airplane flies from Albania to Belgrade-Sofia-Bucharest.
- 47. Only the Tirana airdrome is in operation; no work is being done at present for its improvement. In their present condition the airdromes at Gjinokaster and Verati are not fit for use.

# XI. Greeks in Southern Albania (Northern Epiros)

- 18. There is no information available regarding any new organized persecution of the Greeks in Southern Albania. All reports indicate that the Albanian Government is making efforts to win over the Greek element. The drainage works carried out in the Vurg-Libohove-Nepravishte region were exploited in Albanian propaganda describing the interest of the Albanians in the welfare of the Greeks in Southern Albania.
- 49. At the same time the government has made an effort to rebuild the Greek villages destroyed by fire. The Greeks living in the United States have sent considerable amounts of money to their relatives in Albania to help in this work. On 26 June 1948 the Tirana radio station announced that 2380 new houses had been constructed in burned Greek villages in Southern Albania.
- 50. On 5 August 1948 the Tirana radio station announced the beginning of work on the construction of the Greek school in Sofratike.
- 51. There is a clear tendency in the Tirana government to favor young Greeks for government posts, and many Greeks were already holding enviable positions. Of the new public school teachers who recently graduated from the training school in Gjinokaster, the majority were Greeks. In the recent selection of soldiers at Gjinokaster to be trained in the School for Non-Commissioned Officers young Greeks were preferred, and about 120 Greeks were selected.

# XII. Tsamides

- 52. Most of the Tsamides who fled from Epiros into Albania are in the Muzhake region between Vlone and Durres. Some are still in the Delvine region; they have been given farms, houses, et cetera, and enjoy the full protection of the Albanian authorities.
- 53. Some time ago, however, some Tsamides were executed on the charge that they were reactionaries. They had indicated their desire to leave Albania and return to Greece.

#### XIII. Nationalist Movement

- 54. In spite of the fact that the Communists are in the minority in Albania there is no visible nationalist movement to oppose them. This is the result of the fact that there is no anti-Communist leadership in the country, for all the leaders are now in Italy or the United States or elsewhere, The terrorism practiced by the Communists is such that they have succeeded in placing the country under their complete control.
- 55. There are many fugitives from "justice", particularly old members of Balli, but they are hiding in the countryside. Such is the suspicion prevailing that it is impossible for them to maintain contact with each other. Thus there is no real organized resistance to the

Approved For Release 2001/03/05 : CIA-RDP82-00457 R0020

...7<sub>...</sub>



56. The oppressive measures of the Communists and their surveillance of everybody have created an oppressive atmosphere of fear and nervousness which has resulted in a complete breakdown in the morale of the inhabitants.

#### XIV. Propaganda

- 57. Communist propaganda in Albania has been clever and effective. It is based on the principle of full and bold distortion of the truth. In the hands of the Communists of Albania it was their best weapon in the effort to establish their regime.
- 58. The Government has assigned skilled enlighteners to all the vital centers of population. They go about the villages as well as the cities, and they transmit to the Albanian peasant and worker, who may be disillusioned a bit with the economic situation, the specious sophistries invented by the Communist rulers of the country. They always promise a better future.
- 59. The lack of communication between Albanians and Western Europe facilitates the government's propaganda. The uneducated Albanian people, having little conception of the way of life of other more advanced peoples, naturally accept without due criticism the statements of the government. These propaganda statements assert that whereas peace-loving Albania is being reconstructed, the war-mongers of Europe, the Anglo-Americans, and the monarcho-fascist Greeks want war.
- 60. The chief lines of present Albanian propaganda are the following:
  - Albania is a peace-loving country interested only in her own reconstruction.
  - b. Despite the provocations of the war-mongering Anglo-Americans and the monarcho-fascist Greeks, Albania is facing the situation calmly, indifferent to enemy provocations.
  - c. Albama is not interested in the internal affairs of Greece and wants good relations with her. Greece needs only to quit her irredentism.
  - d. Albania is faithful to the Soviet Union and to the Cominform, and she owes her salvation from the Yugoslav plot to the timely intervention of the Soviet Union.
  - e. Charges are made against the Communist Party of Yugoslavia and against Tito that they are responsible for the economic dislocation in Albania, and that they have betrayed the Soviet Union and the Cominform.
- 61. The chief organ of Albanian propaganda is the <u>Bashkimi</u>, the newspaper of the People's Liberation Front. Copies of it are sent free to all villages. Through the People's Commissars the inhabitants are "enlightened" through the analysis of certain articles. Other Albanian Communist periodicals are the <u>Tribuna-Runi-Ludor</u> and the Greek Laikon Vima.

## MV. Commanding Officers in the Albanian Army

- 62. The Minister of National Defense is Major General (Commissar) Hristo Themelko, one of the leading members of the Communist Party of Albania and an organizer of the Albanian National Liberation Front during the German occupation.
- 63. The Chief of Staff of the Albanian Army is Lieutenant General Bakir Baluk.

CENTRAL INTELS GENCY

\_8\_



- 64. The officer commanding the 5 Division of Gjinokaster is Major General Sefket Pets (or Petch).
- 65. The officer commanding the 1 Division of Tirana is Major General Hiko Tsako.
- 66. The officer commanding the Division of People's Security is reported to be General Petri Spahi.
- 67. The officer commanding the Regiment of Delvine is Colonel Bairam Zorova.

  The commander of the Fremeti Regiment is Lieutenant Colonel Muharem

  Kokomani. The commander of the Regiment in Stegopolis is Lieutenant

  Colonel Fetik Smoatina.

CONFIDENTIAL